



STATE OF ARIZONA

JANET NAPOLITANO
GOVERNOR

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April 22, 2005

The Honorable Jim Weiers
Speaker of the House
Arizona House of Representatives
1700 West Washington
Phoenix, Arizona 85007

Re: House Bill 2143: schools; maximum property tax rate

Dear Speaker Weiers:

Today I vetoed House Bill 2143, relating to the maximum property tax rate that a school district governing board could approve.

Imposing this type of cap on school district tax rates would involve an inappropriate intrusion on local control. Absent financial abuses or constitutional violations, school district governing boards should generally have the ability to set their own budget priorities, and be held accountable by the local populations whom they are elected to represent.

House Bill 2143, however, would prohibit school district governing boards from exceeding certain spending levels, even if the citizens of the district wanted them to do so. The bill specifically targets school districts with low property wealth -- ones that have reached an arbitrary threshold of 150 percent of the qualifying tax rate. These districts often have no choice but to increase the rate of taxes in order to overcome the paucity of revenue generated from the low value of their properties.

By capping the property tax rates that these districts can assess, the legislature would have effectively eliminated their ability to better invest in education for their children. This would further exacerbate the discrepancies in per pupil education spending levels among high and low property wealth districts, making Arizona further susceptible to challenges that it has failed to maintain a general and uniform system for funding education.

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For these and other reasons, such caps are not in the best long-term interest of low property wealth districts or of Arizona as a whole.

Yours very truly,

A handwritten signature in dark ink, appearing to read "Janet Napolitano", with a long horizontal flourish extending to the right.

Janet Napolitano
Governor

JN:TN/jm

cc: The Honorable Ken Bennett
The Honorable Steve Huffman